STATE RISK MANAGEMENT FUND INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2002

| | | | | | | | | | | | Current | Prior Year | 3 Years | 5 Years | | | |
|---------------------------------|----------------|---------------|------------|---------------------|---------------------|---------------|------------|----------------------|---------------------|---------------|----------|----------------|--------------------|---------------------|-----------------------|-----------------------|------------------------|
| | September-02 | | | | | August-02 | | | | July-02 | | | | Fiscal YTD | FY02 | Ended | Ended |
| | Maril at Malar | Alloc | | Quarter | Month | Mandari Malan | Alloca | | N DOD | Manta (Nation | Alloc | | N DOD | Nist | N1 | | 6/30/2002 |
| LARGE CAP DOMESTIC EQUITY | Market Value | Actual | Policy | Net ROR | Net ROR | Market Value | Actual | Policy | Net ROR | Market Value | Actual | Policy | Net ROR | Net | Net | Net | Net |
| Structured Growth | | | | | | | | | | | | | | | | | |
| AllianceBernstein | 52,431 | 1.9% | 2.3% | -13.54% | -9.16% | 57.995 | 2.1% | 2.3% | 2.47% | 56,632 | 2.1% | 2.3% | -7.10% | -13.54% | -28.65% | -16.80% | N/A |
| Russell 1000 Growth | 02,101 | 11070 | 2.070 | | | 0.,000 | ,0 | 2.070 | 0.30% | 00,002 | ,0 | 2.070 | -5.50% | -15.05% | -26.49% | -16.15% | N/A |
| Structured Value | | | | | | | | | | | | | | | | | |
| LSV | 56,818 | 2.1% | 2 20/ | -18.60% | -11.38% | 64,425 | 2.3% | 2.3% | 0.35% | 64,278 | 2.3% | 2.3% | -8.45% | -18.60% | 2.41% | 5.40% | N/A |
| Russell 1000 Value | 30,010 | 2.1/0 | 2.3 /0 | | | 04,423 | 2.3 /0 | 2.3 /0 | 0.76% | 04,276 | 2.3 /0 | 2.3 /0 | -9.30% | -18.77% | -8.96% | -2.92% | N/A |
| | | | | 10.7770 | 11.12/0 | | | | 0.7070 | | | | 3.3070 | 10.7770 | 0.3070 | 2.52 /0 | 14/7 |
| S&P 500 Index | | | 40 50/ | 4= 000/ | 40.000 | | 2 22/ | 40 50/ | 2 222/ | | 2 22/ | 40 501 | | 4= 000/ | 40.000/ | | |
| State Street | 259,992 | 9.4% | 10.5% | -17.26% | | 273,552 | 9.8% | 10.5% | 0.66% | 271,755 | 9.9% | 10.5% | | -17.26% | -18.03% | -9.27% | 3.58% |
| S&P 500 | | | | -17.28% | -10.87% | | | | 0.66% | | | | -7.80% | -17.28% | -17.99% | -9.18% | 3.67% |
| TOTAL LARGE CAP DOMESTIC EQUITY | 369,241 | 13.4% | 15.0% | -16.96% | -10.71% | 395,972 | 14.1% | 15.0% | 0.87% | 392,665 | 14.3% | 15.0% | -7.79% | -16.96% | -16.89% | -8.30% | 3.74% |
| S&P 500 | | | | -17.28% | -10.87% | | | | 0.66% | | | | -7.80% | -17.28% | -17.99% | -9.18% | 3.67% |
| | | | | | | | | | | | | | | | | | |
| SMALL CAP DOMESTIC EQUITY | | | | | | | | | | 1 | | | | | | | |
| Manager-of-Managers | | | | | | | | | | | | | | | | | |
| SEI | 129,017 | 4.7% | 5.0% | -19.31% | -7.23% | 122,585 | 4.4% | 5.0% | 0.75% | 121,750 | 4.4% | 5.0% | | -19.31% | -11.77% | N/A | |
| Russell 2000 + 200bp | | | | -20.97% | -7.02% | | | | -0.08% | | | | -14.93% | -20.97% | -7.96% | N/A | N/A |
| TOTAL SMALL CAP DOMESTIC EQUITY | 129,017 | 4.7% | 5.0% | -19.31% | -7.23% | 122,585 | 4.4% | 5.0% | 0.75% | 121,750 | 4.4% | 5.0% | -13.68% | -19.31% | -11.69% | 2.22% | 4.32% |
| Russell 2000 | | | | -21.40% | -7.18% | | | | -0.25% | | | | -15.10% | -21.40% | -8.59% | 1.67% | 4.44% |
| | | | | | | | | | | | | | | | | | |
| CONVERTIBLES | | | | | | | | | | | | | | | | | |
| TCW | 267,292 | 9.7% | 10.0% | -10.05% | -4.92% | 281,007 | 10.0% | 10.0% | 2.18% | 262,876 | 9.5% | 10.0% | -7.43% | -10.05% | -20.37% | -2.22% | N/A |
| First Boston Convertible Index | | | | -8.47% | -2.99% | | | | 0.64% | | | | -6.25% | -8.47% | -12.44% | 0.11% | N/A |
| | | | | | | | | | | | | | | | | | |
| INTERNATIONAL EQUITY | | | | | | | | | | | | | | | | | |
| Large Cap - Active | | | | | | | | | | _ | | | | | | | |
| Capital Guardian | - | 0.0% | 0.0% | -20.58% | N/A | - | 0.0% | 0.0% | N/A | . 0 | 0.0% | 0.0% | | -20.58% | -12.10% | -2.96% | 2.87% |
| MSCI EAFE - 50% Hedged | | | | -20.02% | N/A | | | | N/A | | | | N/A | -20.02% | -14.62% | -7.32% | -1.89% |
| DOMESTIC FIXED INCOME | | | | | | | | | | | | | | | | | |
| Core Bond | | | | | | | | | | | | | | | | | |
| Western Asset | 733,279 | 26.6% | 25.0% | 3.51% | 0.92% | 732,611 | 26.2% | 25.0% | 2.55% | 739,228 | 26.8% | 25.0% | 0.00% | 3.51% | 8.36% | 8.53% | 7.80% |
| Lehman Aggregate | 133,219 | 20.0 / | 23.0 /6 | 4.58% | 1.62% | 732,011 | 20.2 /0 | 23.0 /6 | 1.69% | 139,220 | 20.0 /0 | 23.0 /0 | 1.21% | 4.58% | 8.62% | 8.10% | 7.57% |
| *** | | | | 4.50% | 1.02 /6 | | | | 1.09% | | | | 1.21/0 | 4.56% | 0.02 /6 | 0.10% | 7.5776 |
| Index | | | | | | | | | | | | | | | | | |
| Bank of ND | 410,753 | 14.9% | 15.0% | 5.96% | 2.23% | 392,965 | 14.0% | 15.0% | 2.27% | 397,371 | 14.4% | 15.0% | | 5.96% | 8.38% | 7.79% | 7.42% |
| Bank of ND CD'S | 410,753 | 0.0% | 0.0% | N/A | N/A 2.23% | 392.965 | 0.0% | 0.0% 15.0% | N/A 2.27% | 207.274 | 0.0% | 0.0% | | N/A 5.96% | 5.04% 8.14% | 5.55% | 5.48% 7.30 % |
| Total Index | 410,753 | 14.9% | 15.0% | 5.96% 5.70% | 2.23% 2.15% | 392,905 | 14.0% | 15.0% | 2.21% | 397,371 | 14.4% | 15.0% | 1.36% 1.20% | 5.96% 5.70% | 8.14% 8.24% | 7.66% 7.86% | 7.30% |
| Lehman Gov/Corp | | | | 5.70% | 2.15% | | | | 2.24% | | | | 1.20% | 5.70% | 0.24% | 7.00% | 7.47% |
| BBB Average Quality | | | | | | | | | | | | | | | | | |
| Strong | 290,730 | 10.6% | 10.0% | 3.08% | 1.48% | 288,988 | 10.3% | 10.0% | 3.46% | 289,116 | 10.5% | 10.0% | | 3.08% | N/A | N/A | |
| Lehman US Credit BAA | | | | 2.70% | 1.43% | | | | 3.56% | | | | -2.23% | 2.70% | N/A | N/A | N/A |
| TOTAL DOMESTIC SWED WOODS | | =0 404 | / | 4 4 4 9 7 | 4 4007 | 4 444 500 | | / | 0.000/ | | | 50.00 / | 2 2 4 2 4 | 0.070/ | = ==== | = | = 400 |
| TOTAL DOMESTIC FIXED INCOME | 1,434,763 | 52.1% | 50.0% | 4.11% | 1.40% | 1,414,563 | 50.5% | 50.0% | 2.66% | 1,425,715 | 51.7% | 50.0% | 0.01% | 2.67% | 7.55% | 7.88% | 7.42% |
| Lehman Gov/Corp | | | | 5.70% | 2.15% | | | | 2.24% | | | | 1.20% | 5.70% | 8.24% | 7.86% | 7.47% |
| CASH EQUIVALENTS | | | | | | | | | | | | | | | | | |
| Bank of ND | EEA 940 | 20 19/ | 20.0% | 0.48% | 0.16% | 507 //3 | 21 00/ | 20.0% | 0.16% | EE2 067 | 20.0% | 20.0% | 0.17% | 0.48% | 2.41% | 4.76% | 4.99% |
| 90 Day T-Bill | 554,810 | 20.1% | 20.0% | 0.48% | 0.16% | 587,443 | 21.0% | 20.0% | 0.16% | 552,067 | 20.0% | 20.0% | 0.17% | 0.48% 0.45% | 2.41% | 4.76% 4.68% | 4.99 % |
| OD Day I Dill | | | | U. 1 U/0 | 0.10/0 | | | | U. 17/0 | 1 | | | 0.1070 | 0.40% | 2.00% | 7.00/0 | 7.04/ |
| TOTAL RISK MANAGEMENT FUND | 2,755,122 | 100.00% | 100.00% | -2.34% | -1.65% | 2,801,569 | 100.00% | 100.00% | 1.77% | 2,755,073 | 100.00% | 100.00% | -2.42% | -2.34% | -2.68% | 0.05% | 3.24% |
| POLICY TARGET BENCHMARK | 2,100,122 | . 00.00 /0 | . 55.55 /6 | -1.82% | -1.18% | 2,001,009 | . 55.56 /6 | . 50.50 /0 | 1.30% | 2,700,070 | 100.00/0 | . 00.00 /0 | -1.92% | -1.82% | 0.31% | 1.44% | 4.45% |
| OLICY TARGET BENCHMARK | | | | -1.02% | -1.10% | | | | 1.30% | <u> </u> | | | -1.92% | -1.02% | 0.31% | 1.44% | 4.45% |

NOTE: Monthly returns and market values are preliminary and subject to change.